

**Key Information Summary Sheet**  
**Construction Finance Manager Services for DHCD**  
**Request for Proposals No. S00R5400075**



**RFP Issue Date:** April 28, 2015

**Procurement Officer:** Jerome Lofton  
Jerome.lofton@maryland.gov  
(301) 429-7572

**Submit Proposals to:** Dept. of Housing and Community Development  
Attention: Jerome Lofton  
7800 Harkins Road, Room 262  
Lanham, MD 20706

**Proposals Due:** May 18, 2015 2:00 pm local time

**Anticipated Contract Start:** July 1, 2015

**NOTICE**

Prospective Offerors who have received this document from a source other than the Issuing Office should immediately contact the Issuing Office and provide their name and mailing address so that any amendments to the RFP and other communications may be sent to them.

**Minority Business Enterprises and Small Businesses are encouraged to respond to this solicitation**

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#### **Attachments**

- A. Contract Terms (for information only – do not submit with proposal)**
- B. Bid Proposal Affidavit**
- C. Contract Affidavit (for information only – do not submit with proposal)**
- D. Price Proposal**

## **SECTION 1 - GENERAL INFORMATION**

### **1.1 Purpose**

The Maryland Department of Housing and Community Development (DHCD), a principal department of the State of Maryland (State), is seeking a qualified Contractor to provide Construction Finance Manager duties.

### **1.2 Procurement Method**

This Contract is a small procurement contract, which will be awarded in accordance with the small procurement regulations under COMAR 21.05.07.01, et seq.

### **1.3 Questions**

Questions will be accepted from prospective Offerors and should be submitted in a timely manner to the Procurement Officer only. E-mail submission of questions is preferable, but questions will also be accepted by phone, mail or facsimile to the Procurement Officer. The Procurement Officer will decide whether an answer can be given before the closing date, based on the availability of time to research and communicate an answer. Answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all vendors who are known to have received a copy of this RFP.

### **1.4 Procurement Officer and Issuing Office**

The sole point of contact at the State for purposes of this RFP is the Procurement Officer at the Issuing Office listed on the Key Information Summary Sheet.

### **1.5 Contract Manager**

After contract award and throughout the course of the project, the Contract Manager listed below (or designee) will monitor the performance of the Contractor.

Brien O'Toole  
Department of Housing and Community Development  
7800 Harkins Road, Room 262  
Lanham, MD 20706  
Tele: (301) 429-7761  
Email: Brien.otoole@maryland.gov

## **1.6 Duration of Offer**

Offers submitted in response to this RFP are irrevocable for sixty (60) days following the closing date for proposals. The Procurement Officer may extend this period, with the Offeror's written consent.

## **1.7 Revisions to the RFP**

If it becomes necessary to revise this RFP, amendments will be provided to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. Failure to acknowledge receipt does not relieve the Offeror from complying with all terms of any such amendment.

## **1.8 Cancellation / Rejection**

The State reserves the right to cancel this RFP at any time prior to contract award pursuant to COMAR 21.06.02.02. The State also reserves the right to accept or reject, in whole or in part, any and all offers received in response to this RFP, and to waive or permit cure of minor irregularities in any manner necessary to serve the best interests of the State of Maryland.

## **1.9 Contract Type**

The Contract awarded as a result of this RFP shall be a Fixed-price contract per COMAR 21.06.03.02 A(2) and is of indefinite quantity as defined by COMAR 21.06.03.06 A(2). It is a small procurement contract.

## **1.10 Contract Term**

The contract resulting from the RFP shall commence after all appropriate State approvals have been obtained, and shall extend for a period of six months. There shall be no minimum quantity of services requested by DHCD under Section 3.2. There shall be no renewal of the Contract.

## **1.11 Compensation and Method of Payment**

The Contract will provide that the Contractor be paid monthly for providing the services listed at Section 3.2. Payment shall be based upon the number of hours of service incurred during the month being billed, at the rates identified in the offeror's price proposal

## **1.12 Parties to the Contract**

The contract entered into as a result of the response to this RFP shall be by and between the successful Offeror as Contractor and DHCD, and shall include the terms and conditions of Attachment A of this RFP and generally the provisions of this RFP. Any exceptions must be clearly identified in the Executive Summary section of the Technical Proposal. Attachment A is included for information only and is not to be submitted with the Offeror's proposal.

### **1.13 Minority Business Enterprises (MBEs)**

There is no Minority Business Enterprises participation goal for this procurement. However, MBEs are encouraged to respond to this solicitation. MBE vendors are encouraged to obtain MBE certification from the Maryland Department of Transportation, Office of Minority Business Enterprise. Direct all certification-related questions to:

Office of Minority Business Enterprise  
Maryland Department of Transportation  
P.O. Box 8755  
BWI Airport, Maryland 21240-0755  
(410) 859-7328  
<http://www.mdot.maryland.gov>

### **1.14 Small Businesses**

Although this is not a Small Business Reserve procurement, small businesses are encouraged to respond to this solicitation and to register with the Maryland Department of General Services for the Maryland Small Business Reserve Program through a self-certification process at <https://www.smallbusinessreserve.maryland.gov/registration/>.

A “Small Business” is a business, other than a broker, that meets the following criteria:

- The business is independently owned and operated;
- The business is not a subsidiary of another business;
- The business is not dominant in its field of operation;
- The wholesale operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$4,000,000 in its most recently completed 3 fiscal years;
- The retail operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$3,000,000 in its most recently completed 3 fiscal years;
- The manufacturing operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The service operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$10,000,000 in its most recently completed 3 fiscal years;
- The construction operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years; and

- The architectural and engineering operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$4,500,000 in its most recently completed 3 fiscal years.

If a business has not existed for three years, the gross sales average is computed for the period of the business's existence. For newly formed businesses the determination will be based upon employment levels and projected gross sales.

## **SECTION 2 – MINIMUM QUALIFICATIONS**

The following qualifications must be met to be considered for contract award:

- A. A thorough knowledge of accounting principles, financial analysis, basic tax law, and the ability to work in a team setting. A familiarity with real estate development and the federal low income housing tax credits.
- B. Adequate staffing to execute a minimum of five project tasks within a 10 business day period to require in total 20 hours.
- C. A Certified Public Accountant (CPA) will perform the work or oversee work by an AIPB – or NACPB – certified bookkeeper.
- D. A minimum of five years' experience performing work similar to that which is described in Section 3.
- E. Timely, accurate work, and effective communication with borrowers, co-lenders, and Department staff is required.

## **SECTION 3 – SCOPE OF SERVICES**

### **3.1 Overview**

The Department seeks the services of an experienced Construction Finance Management Service firm or individuals to be responsible for the duties described in Section 3.2. The Offeror must perform a wide range of bookkeeping and accounting tasks for multifamily and special needs construction projects for which the Department has made construction and permanent loans. Funded projects generally have multiple sources of public and private financing and coordination with other funders will be required on most projects. The work will be performed in consultation with and under the supervision of DHCD's Deputy Director, Rental Lending and the Team Leader for Construction Finance. Work will be assigned according to the needs of the Department. The work must meet the standards of the Department and will be subject to periodic audit in accordance with departmental and State of Maryland- DHCD procedures.

### **3.2 Scope of Services**

The Contractor shall for each assigned project and its loan (s).

- A. Ensure that the disbursement of loan funds complies with the terms of the contract document and regulatory requirements and that submitted costs are substantiated and within approved budgets.
- B. Review/approve initial draw submission in accordance with CDA Multifamily draw procedures; Initial draws will tie to overall project budgets and construction phase draw schedules.
- C. Review/approve ongoing, construction phase draw submissions.
- D. Review/approve close – out packages, including cost certification submissions, final determination of loan proceeds, and Internal Revenue Services (IRS) form 8609s.
- E. Prepare Portfolio reporting as assigned.
- F. Review financial statements and preliminary capital budgets, as assigned.
- G. Attend/conduct meetings, including pre-construction meetings, as necessary to complete assignment and resolve issues.

## **SECTION 4 – PROPOSAL FORMAT**

### **4.1 Overview**

The Offeror's Technical Proposal should be prepared in a straightforward and concise manner, detailing the Offeror's capabilities to satisfy the requirements of this RFP and should conform to the Outline listed in Section 4.2.B below.

#### **A. General:**

Offerors shall submit, under separate cover, a clearly marked unbound original and three (3) copies of the Technical Proposal in a separate sealed envelope titled "Construction Finance Manager Services for DHCD - Technical Proposal."

Offerors should include a transmittal letter on the Offeror's stationery, signed by an individual who is authorized to bind the company to all statements in the proposal and the services and requirements as stated in the RFP.

#### **B. Outline:**

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**1. Tab 1 – Minimum Qualifications**

The Offeror shall provide evidence that it meets the minimum qualifications described in Section 2 for Construction Finance Manager Duties:

**2. Tab 2 – Executive Summary**

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled “Executive Summary”. The summary shall provide a broad overview of the Offeror’s understanding of the contents of the RFP and of the how the Offeror’s proposal meets the scope of services outlined in Section 3. If any addendum or amendments have been issued to this RFP, the Offeror shall acknowledge same in this section. Also, any exceptions to this RFP or the terms and conditions outlined in Attachment A or any other attachment must be clearly identified in this section. Exceptions may result in the proposal being rejected or not reasonably susceptible of being selected for award.

**3. Tab 3 – References**

The Offeror shall provide the names of three recent clients for whom the Offeror has performed construction finance manager services.

DHCD reserves the right to call any known former or current client.

**4. Tab 4 – Required Submissions**

Bid/Proposal Affidavit (Attachment B) – completed and signed by an individual authorized to bind the Offeror. All questions are to be answered on Attachment B. If a question is not applicable please indicate so.

**5. Tab 5 – Offeror’s Technical Response to RFP Requirements**

The Offeror shall address the Scope of Services (Section 3.2) and describe how its proposed services, will meet or exceed the work requirements described therein.

**6. Tab 6 – Experience and Capabilities**

The Offeror may in this section describe in detail how experience and qualifications beyond the minimum qualifications relate to the responsibilities listed in Section 3.2

**4.2 Price Proposal**

Submit an unbound, clearly marked original and three (3) bound copies of the Price Proposal in a separate sealed enveloped titled “Financial Proposal – Construction Finance Manager Services for DHCD.” The Price Proposal must be in the format specified in Attachment D and be signed by an official authorized to bind the Offeror.



## **SECTION 5 – EVALUATION PROCEDURE AND CONTRACT AWARD**

### **5.1 Evaluation Committee**

The Procurement Officer shall establish an Evaluation Committee, which may include individuals from within or outside of State government. The Procurement Officer reserves the right to reject in whole or in part any and all proposals received as a result of this RFP, to waive minor irregularities in proposals, and to enter into discussions with all responsible Offerors in any manner deemed necessary to serve the best interest of DHCD and the State. Offerors whose proposals are not accepted will be notified in writing.

### **5.2 Discussions/ Oral Presentations**

All Offerors who appear to be responsible and whose proposals are initially classified as being reasonably susceptible of being selected for award (or potentially so) may be required to make oral presentations of their proposals and participate in discussions with the Evaluation Committee. Offerors will be notified as to a date for oral presentations /discussions. Offerors must confirm in writing any substantive oral clarification of their proposal made in the course of discussions and all written clarifications will become part of the Offeror's Technical Proposal.

Price Proposals from only those responsible Offerors whose proposals are finally deemed reasonably susceptible of being selected for award will be opened following the discussion and presentation process.

If, following the opening of the price proposals, the Procurement Officer determines that further discussion is in the best interest of DHCD and the State; the Procurement Officer will notify all of the Offerors of the date on which such discussions will be conducted. Upon completion of all discussions and upon receipt of any "best and final offers" submitted as a result of such discussions, the Evaluation Committee shall recommend to the Procurement Officer the award of the Contract to the responsible Offeror whose combined technical and price proposal is determined to be the most advantageous to DHCD and the State.

### **5.3 Technical Proposal Evaluation Criteria**

The Evaluation Committee will conduct their evaluation of the Technical Proposals received on the basis of the following criteria in descending order of importance:

- A. Offeror's Technical Response to RFP Requirements as described in Section 4.1(B) Tab 5
- B. Minimum Qualifications, as described in Section 2 and Section 4.1(B), Tab 1.
- C. Experience and Capabilities, as described in Section 4.1(B) Tab 6.
- D. Reference as described in Section 4.1(B) Tab 3.

#### **5.4 Price Proposal Selection Criteria**

Price Proposals will not be opened until the evaluation of the Technical Proposal is complete. The Price Proposal evaluation will be based upon the prices submitted by the Offeror on Attachment E – Price Proposal Form, and best and final offers, if any. Proposals will be ranked in order from lowest to highest cost to the State.

#### **5.5 Weighting of Technical and Price Proposals**

The Technical Proposal will have greater weight than the price proposal in determining the most advantageous offers.

#### **5.6 Contract Award**

It is DHCD's intention to award the contract to the Offeror whose proposal is determined to be the most advantageous to DHCD.

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